

Pro and Con

End Grain Embargo Against Russia?

YES—"The American farmer is paying a high price for the President's policy"



WARREN LEFTLER—USNEWS

**Interview With
Senator Nancy
Landon Kassebaum**

Republican,
Of Kansas

Q. Senator Kassebaum, why do you favor rescinding the embargo on grain sales to the Soviet Union?

A The embargo has backfired. The American farmer—not the Soviet Union—is paying a high price for the President's foreign policy.

Q. But aren't grain prices at or near pre-embargo levels?

A Most prices have recovered somewhat since the announcement of the embargo, although wheat still is selling for less than before sales to the Soviet Union were stopped. But farmers have paid for the embargo in other ways. They have been paying 14 percent interest rates since January to store the embargoed grain until it is sold. When they have managed to find buyers, it has been at the lower prices prevailing in the last six months.

This has cost farmers about a quarter of a billion dollars, while the total cost to the American people has been estimated at anywhere from 2.9 to 10 billion dollars.

Also, any embargo always causes serious dislocations in the future for markets. Even if we rescind now, I doubt that the Soviets would be delighted to take the grain. They would probably tell us, "Forget it."

Q. Hasn't the embargo hurt the Soviet economy?

A Not to any great extent. The grain they had hoped to buy was to be used to increase meat production. They didn't need it to fulfill basic demands.

They have had to reduce their livestock herds through some early slaughtering, and they have had to pay higher prices for grain and cope with some disruptions in shipping. But they have replaced at least half of the grain we have denied them, and perhaps much more. Indications now are that the Soviets will have a good crop year, which lessens the impact even more.

Q. Why isn't the embargo working?

A Because we are going it alone. The facts just don't back up other countries' claims that they are supporting us. Without a concerted effort by all grain-exporting countries, no embargo will have a meaningful effect.

Once a shipment leaves our shores, it is very difficult to control where it ends up. We've seen this in recent reports that U.S. soybeans are being sold to third countries, converted to meal and shipped to Russia at top prices. Grain shipments to Eastern Europe have increased dramatically. We have no assurances that this grain will not eventually end up in Russia. Argentina has made a killing selling to the Soviets at premium prices. I question how long our allies, including Canada and Australia, will hold out before following suit.

Q. Shouldn't the United States express its opposition to the

NO—"Show the Soviets they will have to pay a heavy price for aggression"



MARION TREBICKO—USNEWS

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**Interview With
Warren Christopher**

Deputy Secretary of State
EXEMPTIONS RELEASE

Q. Mr. Christopher, why do you favor keeping the U.S. government's embargo on grain sales to the Soviet Union?

A The grain embargo was imposed with two purposes in mind: First, to keep pressure on the Soviet Union to withdraw from Afghanistan and, second, to show the Soviets that they will have to pay a heavy price for that kind of brutal aggression.

I think we ought to continue the embargo in order to emphasize the price the Soviets are paying for their actions in Afghanistan.

Q. Has the embargo really been successful?

A The Soviets are feeling the pinch. They've been deprived of 17 million tons of grain they intended to buy from the United States. They've been able to purchase substitutes for about half of this, but only by paying premium prices and coping with severe shipping difficulties.

The embargo has forced them to cut down on their livestock herds. This has, in turn, caused a shortage of food—which has been reported in their press as well as our own. I would say that the grain embargo has hit the Soviet Union very hard in a vulnerable spot.

Q. Soviet troops still occupy Afghanistan. Doesn't this mean the embargo is at least a partial failure?

A No. The U.S. restrictions were designed to impose a substantial cost on the Soviets for their invasion of Afghanistan. That the Soviet authorities choose to bear that cost and impose it on their people does not mean the embargo is a failure.

By penalizing the Soviets for their lawless behavior, we have provided disincentives against further aggression and reminded the world community of our commitment to peaceful norms of international behavior.

Q. Isn't there some truth to critics' claims that the embargo has hurt the United States—specifically American farmers—more than it has hurt the Soviet Union?

A Not at all. I don't question that there has been some sacrifice by the American people and American farmers, but I think it has been very worthwhile.

Q. Hasn't the embargo caused grain prices in this country to fall?

A Not really. There was an initial drop in the prices of some grain, but that's no longer the case. Corn, the crop that was most severely affected by the embargo, is selling for about 30 cents a bushel more than it was in January, before the embargo. The price of wheat is a few cents lower now than it was in January.

Q. Hasn't the U.S. gotten relatively little cooperation from its friends and allies in maintaining the embargo?

Interview With Senator Kassebaum (continued)

Russian invasion of Afghanistan? If not a grain embargo, what should we do?

A The boycott of the Moscow Olympic Games has hit the Soviets hard. Shelving SALT II, the proposed strategic-arms-limitation treaty, and backing off on all forms of détente have sent clear signals to Moscow that we are displeased with their actions in Afghanistan. The grain embargo just has not had a significant enough impact to justify its continuation.

Q The U.S. is faced with a number of overseas crises. In such difficult times, shouldn't Congress bend over backward to go along with the President's foreign-policy decisions?

A To some extent this is true, and that is one of the major reasons I supported the embargo when it was first announced.

My father, Alf Landon, the 1936 Republican presidential nominee, used to say that politics should end at the shoreline. But we are faced with a policy that clearly has failed. The President should rescind the embargo on his own. Since that appears unlikely, farm-state legislators are getting behind a rescission bill introduced by my senior colleague, Bob Dole. The time has come to take legislative action. Our loss in this case outweighs our foreign-policy gain.

Q Wouldn't lifting the embargo send conflicting signals about U.S. foreign policy to both our allies and our adversaries?

A It could. But this is just further indication that the administration didn't think through the long-term implications of the grain embargo before it was imposed. Inconsistency in our foreign policy is a problem. But I think our allies would appreciate our leveling with them and dealing with the realities of the present situation by admitting the embargo hasn't worked.

Q Should the U.S. refuse to sell grain if the situation in Afghanistan worsens or the Soviets get out of line elsewhere?

A Again, that would depend on our allies. If further Soviet aggression provokes the other grain-producing countries to the point where they will back us, an embargo would be a sensible move. But until that happens, there is no sense in having an embargo. The same holds true in Iran, where our sanctions have done little good because they haven't been backed by our allies. We can't go it alone.

Q Defenders of the embargo say that American farmers ought to be willing to make sacrifices in order to teach the Soviets a lesson—

A The farmers were willing to sacrifice in January, even though they were caught totally off guard by the President's announcement. President Carter had promised them there would be no embargo. Now they can't help but feel they're being left at the gate on grain sales. They hear reports that American grain still is reaching the Soviets through various schemes and that other countries are making money off their losses.

Many feel they already have made sacrifices for the country, as their production costs skyrocket and prices remain about the same. They think they are being made the scapegoat.

Interview With Mr. Christopher (continued)

A We've had very good cooperation from the other major grain exporters who are our allies. Canada, Australia and the European Community have cooperated with us and have not moved in to undercut our embargo.

Q Yet you say the Soviets have obtained alternate grain supplies for about half of what the U.S. has withheld. Where are they getting this replacement grain?

A Yes, the Soviets have only managed to make up half the shortfall resulting from U.S. restrictions. The amount made up resulted from their paying premium prices for increased amounts from a variety of suppliers, notably Argentina.

Q What must the Soviet Union do to persuade the U.S. to end the embargo?

A The answer to that is simple and direct: The United States' goal is a total Soviet withdrawal from Afghanistan.

If that is done, we then could look forward to a resumption of more-nearly-normal relationships with the Soviet Union. But as long as there are Soviet troops in Afghanistan that country will be governed by a regime imposed by Soviet Union—denying the Afghan people the right to choose their own leadership.

Q If Russian troops are still in Afghanistan when the five-year grain-sales agreement between the U.S. and the Soviet Union expires, will the U.S. refuse to negotiate an extension of that pact?

A That's a year away, and we'll have to look at the situation as it exists at that time.

The United States has continued to honor its present obligations to supply 8 million tons of grain per year to the Soviet Union. We felt it unwise to do anything to break that international commitment. The 17 million tons that we have deprived them of were discretionary amounts over the 8 million tons to which we had agreed. The President will have to consider whether he wants to enter into a new agreement based upon the conditions as they exist at that time.

Q Four years ago, Jimmy Carter denounced President Ford for imposing a grain embargo on the Soviets and pledged not to make the same mistake. Hasn't President Carter reversed himself on this campaign position?

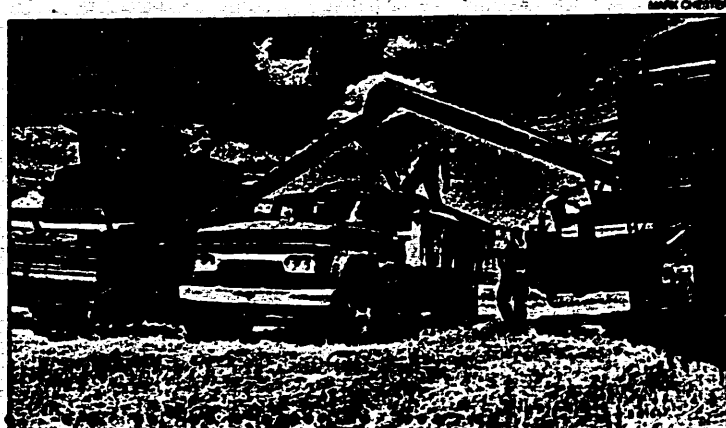
A The international situation was completely different when the present embargo was imposed.

In 1976, there were no national-security reasons for imposing a grain embargo. Afghanistan presented a totally new situation and justified, in our view, the imposition of the embargo.

Q How do you view the legislation that has been introduced in Congress to rescind the embargo?

A It is an irony that some of those who speak most strongly against the Soviet Union are unwilling to undergo the sacrifices necessary to meet the Soviet Union price for its international aggression.

I would urge Congress not to interfere with the administration's ability to impose this grain embargo as long as it seems necessary for national security and foreign-policy reasons.



Harvesting wheat in Nebraska. The Soviet Union is getting only a third of the U.S. grain it wanted before the embargo was imposed.